

Compacts of Free Association

Statement of
Mr. Frederick C. Smith
Special Assistant for Asian and Pacific Affairs
Office of the Assistant Secretary of Defense for International Security Affairs
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The Department of Defense has a deep appreciation of the significance of our relationship with the Freely Associated States—the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau. We cannot, and should not, forget the price we paid in liberating these islands in World War II and the role that the islands and peoples played in developing crucial US defense programs in the 1950s and 1960s. Our relationship is founded upon the unique role of US defense responsibilities to the sovereign nations of the Freely Associated States under the terms of the Compact of Free Association.

The Compact, and subsequent agreements, obliges the United States to provide for the defense of the Freely Associated States in perpetuity, unless mutually agreed upon to terminate the arrangement. We are committed to provide security to these nations and their peoples “as the United States and its citizens are defended.” This is an obligation greater than the United States has assumed under any of its mutual defense treaties. In return, the United States has the right for certain military uses and access, as well as the right to veto access to third countries.

In the absence of the Compact or the Security and Defense Relations Title of the Compact, the Mutual Security Agreement still provides for defense obligations, military access, and denial of military access by third countries. The Mutual Security Agreement is indefinite in duration, remaining in force until terminated or amended by mutual agreement. The so-called “defense veto” and provisions regarding future base rights, however, are scheduled to terminate in 2001-2003. It is clearly in the best interests of the US to maintain the full range of military access and security engagement options the Compact provides.

In preparation for the upcoming Compact assistance negotiations, the Department of Defense last year conducted a study to determine our defense interests in the Freely Associated States for the post-2001 era. This study looked at issues such as continued access, current and future threats, and roles the Freely Associated States may play in future scenarios. The study found an overriding defense interest in continuing the use of the Kwajalein Missile Range and the facilities on Kwajalein Atoll. The requirements of our missile defense and space surveillance programs, combined with the uniqueness of

Kwajalein's location, infrastructure investment, and real world treaty restrictions, make renewal of the Compact in the best interest of the Department of Defense.

Access and operations at Kwajalein Atoll were negotiated under the Military Use and Operating Rights Agreement (MUORA) pursuant to, but separate from, the Compact. The MUORA had an original term of 15 years that was due to expire next year. Given the importance of the agreement, the US opted to extend the MUORA for an additional term of 15 years to 2016. This extension allows continued US access to Kwajalein Atoll, use of defense sites identified in the MUORA and subsequent agreements, and control of the Mid-Atoll Corridor.

While the Kwajalein lease can be extended under the MUORA separate from Compact negotiations, the two are inextricably linked for operational purposes. The daily routine at Kwajalein Missile Range and the facilities on Kwajalein Atoll depend upon a favorable working relationship with the people of the Marshall Islands and the work force on Kwajalein Atoll. Provisions of the Compact help provide the basis for the support of the Marshallese people, who in turn provide not only much of the labor force, but also a positive local environment which is critical for continued success at Kwajalein.

It would be unwise to assume that the end of the Cold War lessened the strategic importance of Micronesia to the defense of US national interests, for sources of potential unrest and military conflict continue to dot the Asia-Pacific landscape. Despite diplomatic progress on the Korean Peninsula, North Korea retains the offensive capability of inflicting massive damage on the South in short order. Territorial disputes in the South China Sea and Northeast Asia remain unresolved and provide potential flashpoints. Indonesia's road toward democracy faces challenges as calls for separatism grow in Aceh and other provinces, and communal violence continues throughout the archipelago. In recent weeks we have seen the violent abandonment of the constitutional process in Fiji and the Solomon Islands. Our inability to see into the future with perfect clarity, therefore, makes our right to strategic denial in Micronesia essential. Our right to prevent the basing of third country military forces in the Freely Associated States must be maintained.

Generally, in this area of the world we see a region at peace. Our task is to dampen the sources of instability by maintaining a policy of robust forward engagement and military presence, while searching for new opportunities to increase confidence and a spirit of common security. In time of peace, our responsibility also extends to taking actions that shape a strategic environment that will sustain this peace and prevent conflict over time. This is both the challenge and the opportunity we face.

The goal of Compact assistance is to maintain a unique relationship with the Freely Associated States while helping them to become economically self-sufficient. Compact assistance will help to preserve access to key defense interests for our forces while denying potentially hostile forces access to US economic and defense interests in the region. Continued Compact assistance, in some form, is in the best interests of the

United States and the Freely Associated States. It will help the Freely Associated States continue to work toward their national goals, while serving our national defense interests.